

**ACADIANA OUTREACH CENTER, INC.
LAFAYETTE, LOUISIANA**

**FINANCIAL STATEMENTS
June 30, 2008**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date

1/21/09

BRUPBACHER & ASSOCIATES

(A Professional Accounting Corporation)

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Rayne, Louisiana 70578

**ACADIANA OUTREACH CENTER, INC.
LAFAYETTE, LOUISIANA**

C O N T E N T S

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Brupbacher & Associates
A PROFESSIONAL ACCOUNTING CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To The Board of Directors of
Acadiana Outreach Center, Inc.
Lafayette, Louisiana

We have audited the accompanying statement of financial position of Acadiana Outreach Center, Inc., (a nonprofit organization) as of June 30, 2008 and 2007, and the related statement of activities, functional expenses and the statement of cash flows for the years then ended. These financial statements are the responsibility of Acadiana Outreach Center's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Acadiana Outreach Center, Inc., as of June 30, 2008 and 2007, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental information on pages 23 - 25 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information except for the portion marked "unaudited" (page 25) has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 18, 2008 on our consideration of Acadiana Outreach Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Brupbacher & Associates, APAC

Brupbacher & Associates
A Professional Accounting Corporation

Rayne, Louisiana
November 18, 2008

MEMBER OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANT

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ACADIANA OUTREACH CENTER, INC.

Statement of Financial Position
For the Period Ended June 30, 2008

ASSETS		
	2008	2007
Current Assets		
Cash and Cash Equivalents	\$ 313,136	\$ 67,991
Investments	328,471	420,185
Restricted Cash	89,208	103,975
Grants Receivables	133,919	280,000
Other Receivables	27,818	45,046
Special Events Receivables	58,268	51,455
Total Current Assets	<u>\$ 950,820</u>	<u>\$ 968,652</u>
Property, Plant and Equipment	\$ 1,759,075	\$ 1,475,651
Less Accumulated Depreciation	<u>(714,125)</u>	<u>(616,649)</u>
Net Property, Plant and Equipment	<u>\$ 1,044,950</u>	<u>\$ 859,002</u>
Other Assets		
Undistributed Food Vouchers	\$ -	\$ 2,500
Prepaid Expenses	569	1,300
Total Other Assets	<u>\$ 569</u>	<u>\$ 3,800</u>
Total Assets	<u><u>\$ 1,996,339</u></u>	<u><u>\$ 1,831,454</u></u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable	\$ 33,190	\$ 24,807
Payroll Taxes Payable	20	38
Notes Payable - Current	3,869	7,467
Other Current Liabilities	56,892	64,418
Total Current Liabilities	<u>\$ 93,971</u>	<u>\$ 96,730</u>
Long-Term Liabilities		
Notes Payable	\$ 142,002	
Total Long-Term Liabilities	<u>\$ 142,002</u>	<u>\$ -</u>
Total Liabilities	<u>\$ 235,973</u>	<u>\$ 96,730</u>
Net Assets		
Unrestricted:		
Undesignated	\$ 1,518,419	\$ 1,328,248
Program Designated	35,847	44,738
Temporarily Restricted	206,100	361,738
Total Net Assets	<u>\$ 1,760,366</u>	<u>\$ 1,734,724</u>
Total Liabilities and Net Assets	<u><u>\$ 1,996,339</u></u>	<u><u>\$ 1,831,454</u></u>

The Accompanying Notes Are An Integral Part of
These Financial Statements

ACADIANA OUTREACH CENTER, INC.

Statement of Activities
For the Period Ended June 30, 2008

	2008	2007
UNRESTRICTED NET ASSETS		
Public Support	\$ 154,793	\$ 164,868
Special Events	667,877	665,264
Investment Income	18,729	30,132
Rental Income	16,574	20,930
Donated Assets	-	85
In-Kind Donations	784,838	822,760
Donated Services	82,725	121,836
JOTC Contract Service	312,848	345,149
Foundation Income	25,000	-
Other Income	5,037	17,841
Total Unrestricted Support	<u>\$ 2,068,421</u>	<u>\$ 2,188,865</u>
NET ASSETS RELEASED FROM RESTRICTIONS		
Emergency Shelter	\$ 14,455	\$ 24,400
HUD	292,633	259,311
FEMA	3,800	6,000
State Grants	261,409	-
Hurricane Relief	199,938	372,145
Other Grants	53,749	15,000
Total Net Assets Released from Restrictions	<u>\$ 825,984</u>	<u>\$ 676,856</u>
Total Unrestricted Support and Reclassifications	<u>\$ 2,894,405</u>	<u>\$ 2,865,721</u>
EXPENSES		
Program Services		
Day Shelter - Well	\$ 468,957	\$ 285,521
Women's Shelter - Naomi House	207,461	172,442
Community Activity Center & Tossed & Found	593,646	685,043
Men's Transitional Shelter - Joshua House	119,736	104,466
Men's Transitional Shelter - Monroe House	176,327	152,215
Lighthouse-Women and Children's Shelter	251,847	251,931
Genesis & Journey Houses	27,418	29,281
Transitional Recovery Action Center for Katrina/Rita	405,896	614,150
Total Program Services	<u>\$ 2,251,288</u>	<u>\$ 2,295,049</u>
Supporting Services		
Management and General	<u>\$ 461,837</u>	<u>\$ 476,544</u>
Total Expenses	<u>\$ 2,713,125</u>	<u>\$ 2,771,593</u>
Increase (Decrease) in Unrestricted Net Assets	<u>\$ 181,280</u>	<u>\$ 94,128</u>

The Accompanying Notes Are An Integral Part Of
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ACADIANA OUTREACH CENTER, INC.

Statement of Activities (continued)
For The Period Ended June 30, 2008

	2008	2007
TEMPORARILY RESTRICTED NET ASSETS		
Emergency Shelter Grant	\$ 14,455	\$ 24,400
HUD Grants	292,633	259,311
FEMA Grant	3,800	6,000
State Grants	275,000	-
Hurricane Relief Donations (T.R.A.C.K.)	15,329	428,679
Foundations / Private Grants	69,129	15,000
Total Temporarily Restricted Net Assets	<u>\$ 670,346</u>	<u>\$ 733,390</u>
Net Assets Released from Restrictions		
Emergency Shelter Grant	\$ (14,455)	\$ (24,400)
HUD Grant	(292,633)	(259,311)
FEMA Grant	(3,800)	(6,000)
State Grants	(261,409)	-
Hurricane Relief	(199,938)	(372,145)
Foundations	(53,749)	(15,000)
Total Net Assets Released from Restrictions	<u>\$ (825,984)</u>	<u>\$ (676,856)</u>
INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS	\$ (155,638)	\$ 56,534
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	<u>181,280</u>	<u>94,128</u>
INCREASE (DECREASE) IN NET ASSETS	\$ 25,642	\$ 150,662
PRIOR PERIOD ADJUSTMENT	-	-
NET ASSETS AT BEGINNING OF YEAR	<u>1,734,724</u>	<u>1,584,062</u>
NET ASSETS AT END OF YEAR	<u><u>\$ 1,760,366</u></u>	<u><u>\$ 1,734,724</u></u>

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ACADIANA OUTREACH CENTER, INC.

Statement of Cash Flows
For the Period Ended June 30, 2008

	2008	2007
Cash flows from operating activities:		
Cash received from:		
Support	\$ 154,793	\$ 164,868
Grants and restricted donations	816,427	453,390
Other revenue	1,059,711	1,058,270
Total Cash flows from operating activities	<u>\$ 2,030,931</u>	<u>\$ 1,676,528</u>
Cash disbursed to:		
Program services and support services	<u>\$ 1,735,021</u>	<u>\$ 1,722,588</u>
Net cash provided (used) by Operating activities	<u>\$ 295,910</u>	<u>\$ (46,060)</u>
Cash flows from investing activities:		
Property, plant and equipment purchases	\$ (283,646)	\$ (80,060)
Loss on asset disposal	-	9,205
Net cash provided (used) by investing activities	<u>\$ (283,646)</u>	<u>\$ (70,855)</u>
Cash flows from financing activities:		
Principal payments	\$ 175,000	\$ (245,430)
Proceeds from Financing	(36,896)	-
Interest paid on financing activities	<u>(12,004)</u>	<u>(9,809)</u>
Net cash provided (used) by financing activities	<u>\$ 126,100</u>	<u>\$ (255,239)</u>
Prior period adjustment to correct grants receivable	\$ -	
Net increase (decrease) in cash	138,664	(372,154)
Total cash, beginning of year	<u>592,151</u>	<u>964,305</u>
Total cash, end of year	<u><u>\$ 730,815</u></u>	<u><u>\$ 592,151</u></u>
CASH PROVIDED BY OPERATING ACTIVITIES		
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase (decrease) in net assets	\$ 25,642	\$ 150,662
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	\$ 97,698	\$ 83,229
Interest	12,004	9,809
Decrease (increase) in grants receivable	146,081	(280,000)
Decrease (increase) in other receivable	10,415	(42,359)
Decrease (increase) in other assets	3,231	21,313
Increase (decrease) in accounts payable	8,383	(6,026)
Increase (decrease) in other payables	<u>(7,544)</u>	<u>17,312</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ 295,910</u></u>	<u><u>\$ (46,060)</u></u>

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ACADIANA OUTREACH CENTER, INC.

Statement of Functional Expenses
For the Period Ended June 30, 2008

	Well Day Shelter	Naomi House Women's Transitional Shelter	Tossed & Found & Community Activity Center	Joshua House Men's Transitional House	Monroe House Men's Transitional House	Lighthouse Women and Children's Shelter	T.R.A.C.K.	Genesis & Journey Houses	General Administration	Totals
Salaries and Wages	\$150,557	\$ 87,639	\$ 24,473	\$ 52,874	\$ 73,602	\$ 139,903	\$188,204	\$ 14,321	\$ 44,361	\$ 775,934
Payroll Taxes	13,684	7,179	1,821	4,276	6,071	10,467	15,141	1,066	3,071	62,776
Total Salaries and Related Expenses	\$164,241	\$ 94,818	\$ 26,294	\$ 57,150	\$ 79,673	\$ 150,370	\$ 203,345	\$ 15,387	\$ 47,432	\$ 838,710
Professional Fees	\$ 1,907	\$ 1,271	\$ 636	\$ 636	\$ 1,271	\$ 1,907	\$ 2,543	\$ 1,271	\$ 2,271	\$ 13,713
Office Expense	250	2,349	247	1,172	2,349	2,135	6,696	-	23,600	38,798
Insurance	12,111	9,513	15,518	5,075	9,129	14,177	16,305	2,368	7,314	91,510
Utilities & Telephone	13,138	8,717	11,731	6,873	7,834	17,096	13,343	8,068	10,056	96,856
Repairs and Maintenance	2,013	1,037	11,764	1,236	689	2,779	2,714	61	4,507	26,800
Staff Development	44	1,177	350	583	1,180	44	1,661	-	35,194	40,233
Fundraising Expense	-	-	-	-	-	-	-	-	135,359	204,637
Client Assistance Expense	4,695	12,612	18,786	7,821	11,831	25,135	117,041	259	3,396	201,576
In-Kind Food	72,999	30,857	184,217	19,470	26,999	18,738	2,500	-	3,365	359,145
In-Kind Services	8,073	10,195	21,786	5,414	10,120	534	14,850	-	7,871	78,843
In-Kind Supplies	110,464	14,852	229,942	4,263	5,294	15,410	1,630	-	51,780	433,635
Lease Expense	-	-	-	-	-	-	-	-	-	-
Interest	16	6	21	4	6	16	16	4	11,915	12,004
Depreciation	-	-	-	-	-	-	-	-	97,698	97,698
Other Expenses	79,006	20,057	72,354	10,039	19,952	3,506	23,252	-	20,079	248,245
Total Expenses	\$468,957	\$ 207,461	\$ 593,646	\$ 119,736	\$ 176,327	\$ 251,847	\$ 405,896	\$ 27,418	\$ 461,837	\$ 2,771,593

The Accompanying Notes Are An Integral Part of
These Financial Statements

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ACADIANA OUTREACH CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Organization

Acadiana Outreach Center, Inc. was organized under the provisions of R.S. 1950, Title 12, Chapter 2, as amended, of the State of Louisiana on November 5, 1990. The corporation constitutes a not-for-profit corporation, organized exclusively for charitable, educational, and scientific purposes. The Acadiana Outreach Center, Inc. focuses on the needs of the poor and homeless in South Louisiana areas by providing transitional substance abuse recovery homes, women's emergency/transitional shelter, basic services day shelter, comprehensive case management services and structured rehabilitative programs to fight poverty, homelessness, and mental health and substance abuse conditions. The mission is to give people back their God-given dignity to help transform their lives and reach their highest potential. The organization is focused on the delivery of positive client outcomes as they assist in the transition from dependency to self-sufficiency. The organization's major programs are as follows:

1. Well (Day Shelter) – Acadiana Outreach Center, Inc. provides the poor and homeless with an outreach and intake center providing basic services such as restroom, shower and laundry facilities, clothing, and necessary telephone assistance and a temporary mailing address. The clients of The Well also receive case management, housing referrals and assistance, medical referrals, rehabilitative assistance, job placement assistance, transportation, and referrals to mental health and substance abuse counseling. In addition, The Well coordinates referrals for access to mainstream services such as identification, food stamps, Social Security, and Veterans Administration. During times of below freezing temperatures and life threatening weather conditions, The Well stays open overnight for Freeze Plan as a way to provide safety for the homeless from the inclement weather.
2. Transitional Recovery Action Center for Katrina/Rita (TRACK) – The TRACK program offers comprehensive case management assistance to displaced individuals and families as a result of the 2005 Hurricanes Katrina and Rita. Services include assessing their needs and implementing a plan to rebuild their lives. The program provides evacuees access to resources to address the needs of housing, employment, transportation, education, physical and mental health care, substance abuse, childcare, life skills training, and community connections. In addition to case management and referrals, TRACK provides financial assistance for critical needs when all available local, state, and federal resources have been exhausted.

By December 2008, TRACK and the Well will be combined into one program. The program will be named the Recovery Action Center (RAC).

3. Job Opportunity Training Center (JOTC) – The JOTC program is a dual diagnosis recovery center for the homeless focusing on the co-existence of mental health and substance abuse conditions. Clients are referred from inpatient treatment centers, family members, and Drug Court programs from across the state. Clients receive vocational assessment and rehabilitative counseling, employment preparedness, job search and placement assistance, and mental health and substance abuse counseling. JOTC collaborates with Louisiana Rehabilitation Services (LRS) and the Louisiana Office for Addictive Disorders Access to Recovery Program (ATR) to provide assistance to clients with disabling conditions that are related to substance abuse.
4. Naomi House (Women's Transitional Shelter) – The Naomi House is a transitional shelter for fourteen (14) unaccompanied women participating in the JOTC recovery program. Naomi House offers basic shelter services (shelter, meals, bathing, laundry, phone, mail) at the house in addition to undergoing educational, living skills activities and other support services to help the women in their transition to self-sufficiency.
5. Joshua House (Men's Transitional Shelter) – The Joshua House is a transitional shelter for eight (8) unaccompanied men participating in the JOTC recovery program. Joshua House offers basic shelter services (shelter, meals, bathing, laundry, phone, mail) at the house in addition to undergoing educational, living skills activities and other support services to help the men in their transition to self-sufficiency.

ACADIANA OUTREACH CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

6. Monroe House (Men's Transitional Shelter) – The Monroe House is a transitional shelter for fourteen (14) unaccompanied men participating in the JOTC recovery program. Monroe House offers basic shelter services (shelter, meals, bathing, laundry, phone, mail) at the house in addition to undergoing educational, living skills activities and other support services to help the men in their transition to self-sufficiency.
7. Genesis and Journey Houses – The Genesis and Journey Houses transitional shelters are for ten unaccompanied men and women. These homes offer clients who have successfully completed area recovery programs an opportunity to be self-sufficient in an independent living, low rent environment.
8. Lighthouse Women's and Children's Shelter – The Lighthouse is an emergency/transitional shelter for homeless women and their children. The Lighthouse is a twenty-eight (28) bed facility providing case management, housing referrals, job placement assistance, life skills training, parenting classes, tutoring for the children, plus the basic necessities of food, shelter, and clothing. The Lighthouse is a place where women and children can temporarily call home while they transition from homelessness to self-sufficiency with support and guidance from a caring and nurturing staff.
9. Tossed & Found – Tossed & Found is a program of the Outreach Center in collaboration with the University of Louisiana at Lafayette School of Agriculture and Design, UL Lafayette Building Institute and the Art Education Program in the Department of Visual Arts. It is the goal of the initiative to open new paths for non-profit agencies to address chronic poverty, homelessness, addiction, mental illness, and the like. Built upon collaboration across different cross-sections of society, Tossed & Found unites in one program solutions to meet critical needs of the poor and homeless to components of community service in the academic curricula of the university, and in the process, the entire community.

The design of the program is simple, yet at the same time unique. Surplus and salvaged building materials (wood, tile, metal, doors/windows, etc.) will be donated to the program warehouse workshop from commercial construction sites, home-repairs and building vendors instead of being wasted in landfills. Hurricane debris will also be reclaimed for use in the program to transform symbols of devastation and despair into functional items and works of art that represent renewal and rebirth. University students will work with the community volunteers and homeless clients using the donated and reclaimed materials to create new functional and artistic items, to market/sell these added-value items to the community, and finally, to beautify the community through public art. Clients will use the skills learned in the programs to secure employment in the construction industry, and revenue from new jobs will be reinvested in Outreach Center programs benefiting the community.

10. Community Activity Center – This facility serves as a community activity and training center for all Acadiana Outreach Center programs. The facility also houses additional projects that provide free services to the poor and homeless community such as clothing at the Well.mart Closet and food at the Well.mart Pantry. Significant gatherings are held each year in this location where free services are provided to the community at large, such as Christmas for Kids serving over 300 children with Christmas gifts; Thanksgiving Dinner serving over 500 meals, and Christmas Dinner serving over 500 meals complete with Santa and small gifts for children. Other services held in this facility include training workshops, AA meetings, and church services.
11. Homeless Management Information System (HMIS) ServicePoint™ – ServicePoint™ is a web-based consumer management information system arming its agencies with powerful management and collaborative solutions. It makes workers more efficient by automating and streamlining paper and manual processes, expedites the delivery of critical services and enables organizations to deliver the best possible care. It enables workers to assess, refer and track clients; coordinate care; plan and manage programs; gather statistics for analysis and reporting, identify performance measurements and share data with others in real-time. Acadiana Outreach Center, Inc. has served as the lead agency since its implementation in 2000 for the eight parish region of Acadiana providing system administration, maintenance, technical support, and user training for participating agencies and their programs. ServicePoint™ has proven to be a valuable tool for participating agencies, allowing for integrated and comprehensive case management regarding the client's care and services across a wide array of service providers.

ACADIANA OUTREACH CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

Note 2. Significant Accounting Policies

A. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. The basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Acadiana Outreach Center, Inc. uses the modified accrual basis of accounting. The revenues are recognized when they become measurable and available, and expenditures are generally recognized when the related fund liability is incurred, if measurable.

B. Property and Equipment

Property, plant and equipment are carried at cost and donated assets are recorded at fair market value. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. The cost of maintenance and repairs is charged to expense as incurred and significant renewals and betterments are capitalized.

C. Income Taxes

The corporation is an exempt organization for federal income tax purposes under Section 501(c)(3) of the Internal Revenue Code.

D. Public Support and Revenue

All contributions are considered to be available for unrestricted use, unless specifically restricted by the donor. All restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction exists (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted contributions.

E. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

F. Functional Expenses

Acadiana Outreach Center allocates functional expense primarily by specific identification of program expenses, which includes salaries of personnel assigned to specific programs. However, certain administrative salaries and related expenses and other general expenses are allocated using percentages, which are adjusted annually. These percentages coincide with grant agreements and budgets.

G. Uncollectible Receivables

The organization considers the receivables to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

ACADIANA OUTREACH CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

Note 3. Cash and Cash Equivalents

Cash and cash equivalents consist of checking accounts at federally insured banks and investment companies. At June 30, 2008 the carrying amount of Acadiana Outreach Center's deposits were \$348,763 and the bank balance was \$402,703. Of the amount on deposit \$356,331 was covered by insurance leaving \$30,104 uninsured and uncollateralized balance. Management feels that the amount of uninsured and uncollateralized cash is at little risk.

The restricted cash at June 30, 2008 consists of JOTC program participant funds held in trust by Acadiana Outreach Center and contributions designated for hurricane relief. The balances at June 30, 2008 are \$35,847 and \$53,361 respectively.

Note 4. Investments

Investments are composed primarily of mutual funds and debt securities and are carried at fair value. Realized and unrealized gains and losses are included in the change in net assets in the accompanying statement of activities. The investment accounts are covered by SIPC up to a maximum of \$500,000 for cash and securities. It does not insure against market fluctuations.

Note 5. Property, Plant and Equipment

Property, plant and equipment are stated at cost as follows:

	<u>6/30/2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>6/30/2008</u>
Furniture, Fixtures, & Equipment	\$ 319,846	\$ 53,410	\$ -	\$ 373,256
Buildings and Improvements				
Naomi House	72,294	-	-	72,294
Joshua House	127,702	-	-	127,702
Service Center	318,393	32,129	-	350,522
Genesis & Journey Houses	41,899	-	-	41,899
Monroe House	77,487	-	-	77,487
Lighthouse	200,519	13,638	-	214,157
Well	65,131	-	-	65,131
Campus Improvements	113,015	5,263	-	118,278
Workshop	29,823	5,194	-	35,017
114 Olivier St.	-	175,000	-	175,000
Land	66,500	-	-	66,500
Vehicles	43,042	-	1,210	41,832
Total	<u>\$ 1,475,651</u>	<u>\$ 284,634</u>	<u>\$ 1,210</u>	<u>\$ 1,759,075</u>
Less: Accumulated Depreciation				<u>(714,125)</u>
Net Property, Plant, and Equipment				<u>\$ 1,044,950</u>

ACADIANA OUTREACH CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

The depreciation expense for the year ended June 30, 2008 and the depreciation to date is as follows:

Furniture, Fixtures, & Equipment	\$ 28,664	\$ 242,578
Buildings & Improvements	64,270	436,768
Vehicles	4,764	34,779
Total	<u>\$ 97,698</u>	<u>\$ 714,125</u>

Note 6. Grants

Acadiana Outreach Center, Inc. receives both cost reimbursement grants and program support or operating grants. Cost reimbursement grant revenue is recognized as the allowable costs are incurred. The program support or operating grants are grants that are provided for subsidizing the operations of the organization or one of its programs. As required by SAS 116, program support grants are recognized at the time of award, unless they are conditional. The Organization has one operating grant receivable at June 30, 2008 for \$120,000 from the Louisiana Disaster Recovery Foundation (LDRF).

The organization depends on grant contract reimbursements to carry out its program activities. This revenue is disclosed as program revenue on the statement of support revenue and expenses. Grant revenue is recorded as related expenses are incurred, and reimbursement requests are submitted to the grantor agency.

The remainder of the cost reimbursement grants not expended at June 30, 2008 consists of a grant from HUD for homeless information system supportive services in the amount of \$136,941; a grant from HUD for the outreach and intake supportive services in the amount of \$49,920; a grant from HUD for the Lighthouse for supportive, operating and administrative costs in the amount of \$129,868; an Emergency Shelter Grant in the amount of \$7,617, and a Department of Social Services grant for rapid re-housing in the amount of \$396,779.

Note 7. Donated Services, Materials & Supplies

Materials and other assets received as donations are recorded and reflected in the accompanying financial statements at their fair values at the date of receipt. The value of the donated supplies are based on an estimate method appropriate to their needs. The contributed services reflected in the accompanying financial statements represent workers provided and paid by other organizations to fulfill the additional required positions necessary to provide services and supplies to the various programs. The total value of those contributions was \$82,725 and was provided by SWLAHEC – AmeriCorps, Remington College, and the University of Louisiana Lafayette.

The value of donated services from unpaid volunteers is not reflected in the accompanying financial statements since there is no objective basis available by which to measure the value of such services. However, a number of volunteers have donated significant amounts of their time for Acadiana Outreach Center's mission. According to Acadiana Outreach Center, Inc.'s records for the year ended June 30, 2008, there were 21,910 recorded volunteer man hours, which equates to approximately 11 full time employees.

Note 8. Income Taxes

The organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. For the period ended June 30, 2008, there was no business activity subject to taxation based on the current IRS regulations.

ACADIANA OUTREACH CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

Note 9. Salaries and Compensated Absences

For the period ended June 30, 2008, the total salary expense for the year was \$775,936, which consists of 50 employees. The Acadiana Outreach Center, Inc. has the following policy relating to vacation, personal leave, and sick leave:

All regular employees are eligible for vacation, personal leave, and sick leave. Sick days accrue at the rate of 8 hours for each full calendar month of employment. Employees may accumulate unused sick leave up to a maximum of 20 workdays, but the employees right to the unused sick leave benefits does not vest. Personal leave accrues at 1/2 day for each full calendar month of employment. Employees may accumulate unused personal time up to a maximum of 12 days, but unused personal leave benefits does not vest. Therefore, the organization recognizes an expenditure for sick leave and personal leave when payments are made to employees.

Employees earn from five to twenty days of vacation leave each year depending on length of service. Employees earn 5 days per year for the first year, 10 days per year for one year to five years, 15 days per year for five to fifteen years, and 20 days for over fifteen years. A maximum of 40 hours of vacation time may be accumulated. Any vacation time that exceeds 40 hours as of January 1st of each year will be forfeited. Vacation benefits earned but unused will be payable upon termination or retirement. At June 30, 2008 the accrued vacation benefits totaled \$16,990.

Note 10. Board of Directors

The Board of Directors as of June 30, 2008 consists of the following:

Jim McGehee, Emeritus	Greg Ellison	Hector Lasala
Rob Robison	Bob Giles	John Milton
Kyle Love	Arty Wagley	Pete Yuan
Yvette P. Cravins	Bently Senegal, C.P.A.	Gary Keller
David Wilson	Beth Ardoin	

For the year ended June 30, 2008, the board members did not receive compensation from the Acadiana Outreach Center, Inc.

Note 11. Lease Payable

The Lease Payable at June 30, 2008 consist of the following:

A \$148,750 lease payable to Round Table Real Estate, LLC
with a monthly payment of \$1,163, with interest at 7.0% per
annum amortized over 240 months. \$ 145,871

The lease is a lease to purchase agreement for the property located at 114 Olivier Street. Round Table Real Estate Investment Co., LLC financed the acquisition of the leased property by securing a loan from IberiaBank. The IberiaBank loan is secured by a mortgage on the leased property and assignment of Tenant's rent under the lease agreement and tenant's continuing guaranty. Acadiana Outreach Center, Inc. has the option to purchase the leased property at anytime during the term of the agreement. The purchase price should be \$175,000, the tenant receiving credit toward the purchase price in the amount of the deposit paid (\$26,250) and all principal payments made by Round Table Real Estate Investment Co., LLC on the IberiaBank loan.

ACADIANA OUTREACH CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

Aggregate maturities of long-term lease payable is as follows:

<u>Year</u>	<u>Amount</u>
2009	3,869
2010	4,149
2011	4,449
2012	4,745
2013	5,113
2014-2027	<u>123,546</u>
	<u>\$ 145,871</u>

Interest expense for the fiscal year totaled \$12,004.

Note 12. Related Party Transaction

The lease described in Note 11 with Round Table Real Estate Investment Co., LLC is considered a related party transaction. Round Table Real Estate Co., LLC is a single member LLC owned by a board member. Total lease payments paid for the fiscal year totaled \$11,625. A lease to purchase agreement was executed after being brought to the board for consideration and the board determined there was no benefit to the member.

Note 13. Net Assets

The total net assets at June 30, 2008 were \$1,760,366 with \$1,554,266 being unrestricted and \$206,100 temporarily restricted. The unrestricted assets consist of the following:

Investment in Capital Assets	\$ 1,044,950
Undesignated Cash and other assets	473,469
Program designated	<u>35,847</u>
Total Unrestricted Net Assets	<u>\$ 1,554,266</u>

Temporarily restricted net assets consist of the following:

Hurricane Relief Funds & Disaster Recovery	\$ 72,181
Undistributed Food Vouchers	-
Grants Receivable	<u>133,919</u>
Total Temporarily Restricted Net Assets	<u>\$ 206,100</u>

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CERTIFIED PUBLIC ACCOUNTANTS

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of
Acadiana Outreach Center, Inc.
Lafayette, Louisiana

We have audited the financial statements of the Acadiana Outreach Center, Inc. as of and for the year ended June 30, 2008, and have issued our report thereon dated November 18, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Acadiana Outreach Center, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Acadiana Outreach Center, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the organization's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial statements reporting that we consider to be material weaknesses, as defined above.

Compliance

As part of obtaining reasonable assurance about whether the Acadiana Outreach Center, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts.

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However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of Acadiana Outreach Center, Inc. in a separate letter dated November 18, 2008.

This report is intended solely for the information and use of management, federal awarding agencies, the Legislative Auditor of the State of Louisiana, the audit committee, and the board of directors and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Brupbacher & Associates, APAC

Brupbacher & Associates
A Professional Accounting Corporation

Rayne, Louisiana
November 18, 2008

ACADIANA OUTREACH CENTER, INC.

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2008**

Summary of Auditor's Results

Auditor's Report

An unqualified opinion has been issued on the Acadiana Outreach Center, Inc.'s financial statements as of the year ended June 30, 2008.

Internal Control over Financial Reporting

There were no significant deficiencies in the internal control over financial reporting required to be disclosed during the audit of the financial statements.

Non-Compliance – Financial Reporting

There were no instances of non-compliance material to the financial statements that were required to be disclosed during the audit of the financial statements.

Prior year findings

None

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SUPPLEMENTAL SCHEDULES

ACADIANA OUTREACH CENTER, INC.

Schedule of Revenues
For the Period Ended June 30, 2008

	Well Day Shelter	Naomi House Women's Transitional Shelter	Tossed & Found & Community Action Center	Joshua House Men's Transitional House	Monroe House Men's Transitional House	Lighthouse Women and Children's Shelter	T.R.A.C.K.	Genesis & Journey Houses	General Administration	2008	Totals	2007
Donor Contributions	\$ 12,505	\$ 587	\$ 11,785	\$ -	\$ -	\$ 5,210	\$ 1,500	\$ -	\$ 123,206	\$ 154,793	\$ 164,867	
Special Events	-	-	-	-	-	-	-	-	667,877	667,877	665,264	
Grant Revenue	231,694	5,140	5,000	1,050	-	189,152	150,000	-	67,052	649,088	304,712	
In-Kind Donations	192,068	56,031	437,959	28,861	41,815	30,758	15,865	-	64,205	867,562	944,596	
Investment Income	-	-	-	-	-	-	-	-	19,749	19,749	30,132	
IOTC Contract Service	-	137,616	-	56,637	118,595	-	-	-	-	312,848	345,149	
Hurricane Relief Donations	-	-	-	-	-	-	15,329	-	-	15,329	428,678	
Other Income	-	-	33,214	-	-	3,800	-	12,274	2,231	51,519	38,857	
Total Revenue	\$436,267	\$ 199,374	\$ 487,958	\$ 86,548	\$ 160,410	\$ 228,920	\$ 182,694	\$ 12,274	\$ 944,320	\$2,738,765	\$2,922,255	

The Accompanying Notes Are An Integral Part of
These Financial Statements

ACADIANA OUTREACH CENTER, INC.

Schedule of Clients Served
(Unaudited)
For the Period Ended June 30, 2008

<u>Program</u>	<u>Number of Clients*</u>
The Well	4,062
Lighthouse Women and Children's Shelter	262
T.R.A.C.K.	1,021
JOTC	140
Naomi House	77
Monroe House	58
Joshua House	67
Journey House	6
Genesis House	9
	<hr/>
Total Clients Served	<u><u>5,702</u></u>

*These amounts were provided through the Homeless Management Information Systems, which is a web-based software application that Louisiana service providers use to coordinate care, manage their operations, and better serve their clients.

The Accompanying Notes Are An Integral Part of
These Financial Statements